

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

PHYSICIANS MUTUAL INSURANCE
COMPANY and PHYSICIANS LIFE
INSURANCE COMPANY,

Plaintiffs,

v.

GREYSTONE SERVICING CORPORATION,
INC., GREYSTONE FUNDING
CORPORATION, GREYSTONE & CO., INC.,
STEPHEN ROSENBERG, ROBERT R.
BAROLAK, and CURTIS A. POLLOCK,

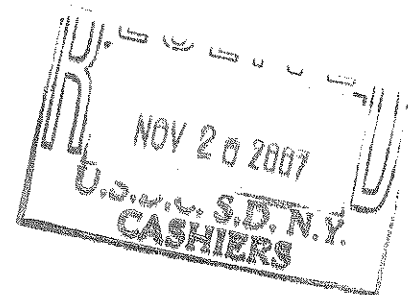
Defendants.

07 CV 10490

Case No. _____

**NOTICE OF REMOVAL
OF ACTION UNDER
28 U.S.C. § 1331
(Federal Question)**

Removed from the Supreme Court of
the State of New York, New York County,
Index No. 602918/07



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William A. Wargo (WW9417)
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isasij@gtlaw.com

Attorneys for Defendants

TO THE CLERK OF THE UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK:

PLEASE TAKE NOTICE that defendants Greystone Servicing Corporation, Inc., Greystone Funding Corporation, Greystone & Co., Inc., Stephen Rosenberg, Robert R. Barolak and Curtis A. Pollock (collectively, "Defendants") hereby jointly file this Notice of Removal of the above-entitled action from the Supreme Court of the State of New York, New York County, to the United States District Court for the Southern District of New York, pursuant to 28 U.S.C. §§ 1331, 1441 and 1446. This Court has removal jurisdiction because this is a civil action "of which the district courts have original jurisdiction" and an action "founded on a claim or right arising under ... the laws of the United States." 28 U.S.C. § 1441(a)-(b); see also 28 U.S.C. § 1331. In further support of this Notice, Defendants state as follows:

1. On or about August 29, 2007, plaintiffs Physicians Mutual Insurance Company and Physicians Life Insurance Company (collectively, "Plaintiffs") filed the Summons with Notice (the "Summons with Notice") in this civil action against Defendants in the Supreme Court of the State of New York, New York County (the "State Court"), Index No. 602918/07. The Summons with Notice, the initial pleading setting forth the claim for relief upon which this action is based, see Whitaker v. Am. Telcasting, Inc., 261 F.3d 196 (2d Cir. 2001) (summons with notice can give rise to removal), was served on certain Defendants on November 8, 2007 and other Defendants thereafter. (A true and correct copy of the Summons with Notice is attached hereto as Exhibit A.) No further proceedings have occurred in the State Court as of the date of the filing of this Notice of Removal.

2. Plaintiffs purport to assert claims, inter alia, under the Racketeering Influenced and Corrupt Organizations Act, 18 United States Code §§ 1961, et seq. (the "RICO Statute").

Summons with Notice, page 1. Plaintiffs also purport to assert other claims, all “related to sale and redemption of Plaintiffs’ Loan Participation Interests in certain Pools of FHA Project Loans respectively identified as ‘Greystone 1995-4’, ‘Greystone 1996-1’ and ‘Greystone 1996-6’.” Id.

3. Plaintiffs seek compensatory damages in at least the amount of \$14,167,327, and “threefold damages and exemplary and punitive damages in at least the amount of \$42,501,981” and attorneys fees and equitable relief in the nature of imposition of a constructive trust. Summons with Notice, page 2.

4. This Court has original jurisdiction over this action under 28 U.S.C. § 1331 because it arises under the laws of the United States. Specifically, Plaintiffs assert a claim arising under the RICO statute, 18 U.S.C. §§ 1961, et seq. See Summons with Notice, page 1.

5. This Court has supplemental jurisdiction over all of Plaintiffs’ other claims pursuant to 28 U.S.C. § 1367.

6. Defendants reserve all defenses.

7. This lawsuit is a civil action within the meaning of the Acts of Congress relating to the removal of actions.

8. This Notice of Removal is timely filed under 28 U.S.C. § 1446(b) because it is filed within thirty (30) days after the receipt of the Summons with Notice in this action by Defendants by service or otherwise.

9. Removal to this Court is proper because the action is being removed from the Supreme Court of the State of New York, New York County.

10. In accordance with 28 U.S.C. § 1446(a), true and correct copies of all process, pleadings and orders served upon Defendants in the action are attached hereto as Exhibit A and are incorporated by reference.

11. Defendants will give written notice of the filing of this Notice of Removal to Plaintiffs as required by 28 U.S.C. § 1446(d), and will file a copy of this Notice of Removal with the Supreme Court of the State of New York, New York County, as further required by that section.

12. The undersigned counsel for Defendants has read the forgoing and signs the Notice of Removal pursuant to Rule 11 of the Federal Rules of Civil Procedure, as required by 28 U.S.C. § 1446(a).

WHEREFORE, Defendants pray that the above action now pending against them in the Supreme Court of the State of New York, New York County, be removed to this Court.

Dated: November 20, 2007

Respectfully submitted,



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Attorneys for Defendants



BRIEF CARMEN & KLEIMAN, LLP

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

PHYSICIANS MUTUAL INSURANCE COMPANY and
PHYSICIANS LIFE INSURANCE COMPANY,

Plaintiff(s),

- against -

GREYSTONE SERVICING CORPORATION, INC.,
GREYSTONE FUNDING CORPORATION,
GREYSTONE & CO., INC., STEPHEN ROSENBERG,
ROBERT R. BAROLAK, and CURTIS A. POLLOCK,

Defendant(s).

X Index No.: 602918107
Date of Filing: 8/29/07

Plaintiffs designate New York
County as the place of trial

The basis of the venue is under
Section 503(a) and (c), CPLR;
Defendants' residence/principal
office/place of business

SUMMONS WITH NOTICE

Plaintiffs reside at: NEW YORK
2600 Dodge Street COUNTY CLERK'S OFFICE
Omaha, Nebraska 68102
County of Douglas

AUG 29 2007

To the above-named Defendant(s):

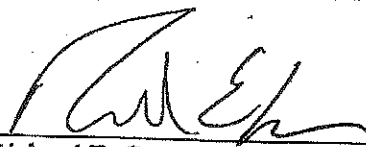
NOT COMPARED
WITH COPY FILE

YOU ARE HEREBY SUMMONED to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance, on the Plaintiff's Attorney(s) within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded herein.

Dated: New York, NY
August 29, 2007

Defendants' Address:

See Attached Address List


Richard E. Carmen, Esq.
BRIEF CARMEN & KLEIMAN, LLP
Attorneys for Plaintiff(s)
805 Third Avenue, 11th Floor
New York, NY 10022
(212) 758-6160 or (212) 832-5570

Notice: The nature of this action is for breach(es) of contract(s), breach(es) of the common-law implied covenant of good faith and fair dealing, fraud, misrepresentation and fraudulent concealment, negligence, claim(s) under the Racketeering Influenced and Corrupt Organizations Act, 18 United States Code Sections §1961, et seq., unjust enrichment, breach(es) of fiduciary duty, conversion, and imposition of constructive trust, related to sale and redemption of Plaintiffs' Loan Participation Interests in certain Pools of FHA Project Loans respectively identified as "Greystone 1995-4", "Greystone 1996-1" and "Greystone 1996-6".

The relief sought is monetary damages, i.e. compensatory damages in at least the amount of \$14,167,327, threefold damages and exemplary and punitive damages in at least the amount of \$42,501,981, and the reasonable attorney's fees of plaintiffs, and equitable relief in the nature of imposition of constructive trust.

Upon your failure to appear, judgment will be taken against you by default for the sum of \$14,167,327 in compensatory damages, for the sum of \$42,501,981 in threefold and exemplary and punitive damages, for reasonable attorney's fees, with interest from no earlier than August 30, 2002 and the costs of this action, and equitable relief aforesaid in the nature of a constructive trust.

Index No. 602978 Year 2007
SUPREME COURT, STATE OF NEW YORK
COUNTY OF NEW YORK

Hon. _____

PHYSICIANS MUTUAL INSURANCE COMPANY and
PHYSICIANS LIFE INSURANCE COMPANY,

Plaintiffs,

- against -

GREYSTONE SERVICING CORPORATION, INC.,
GREYSTONE FUNDING CORPORATION, GREYSTONE &
CO., INC., STEPHEN ROSENBERG, ROBERT R. BAROLAK,
and CURTIS A. POLLOCK,

Defendants.

SUMMONS WITH NOTICE

BRIEF CARMEN & KLEIMAN, LLP

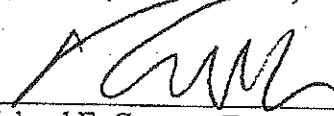
Attorneys for

Plaintiffs

805 THIRD AVENUE
NEW YORK, NEW YORK 10022

(212) 832-5570

Signature (Rule 130.11-a)


Richard E. Carmen, Esq., Partner

Due and timely service of a copy of the within
is hereby admitted.

Dated:

Attorneys for

RECEIPT
NEW YORK COUNTY CLERK
60 CENTRE STREET
NEW YORK, NY 10007
R141

DEPARTMENT	AMOUNT
50 COMMERCIAL	165.00
7 SURCHARGE	45.00
TOTAL	210.00
CHECK	210.00

CORR	CASHIER	DATE	TIME	TERM
21353	1235	07 AUG 29	1:42 PM	41-2

INDEX NUMBER FEE
\$210.00

07602918

DO NOT DETACH

Title of Action or Proceeding to be TYPED or PRINTED by applicant
SUPREME COURT, NEW YORK COUNTY

PHYSICIANS MUTUAL INSURANCE ET AL

V.
GREYSTONE SERVICING CORPORATION, INC.
ET AL

**COMPLETE
THIS STUB**

Endorse This INDEX NUMBER ON All
Papers and advise your adversary of
the number assigned. Sec. 202.5,
Uniform Rules Of Trial Courts